

Congressman Joseph Crowley
Remarks - Hearing - Reg FD
May 17, 2001

I want to thank Chairman Baker and Ranking Member Kanjorski for holding this important hearing today on Fair Disclosure and more specifically Reg FD.

Reg FD, one of the hallmark achievements of former SEC Commissioner Arthur Leavitt, was issued to provide both greater investor confidence in our markets as well as ensure the adequate free flow of all necessary information on companies to all of their investors - large or small.

As stock ownership in our nation grows - almost 50% of American households now have some sort of ownership of our markets through mutual funds, 401(k)'s retirement plans and other investment vehicles, we need to maintain and strengthen consumer confidence.

As Chairman Greenspan told this Committee this winter - consumer confidence is one of if not the most important facet to the performance of our economy.

Reg FD has a number of important benefits to our market system.

Stating that, I am pleased to have the opportunity to participate in this hearing, as there may also be valid concerns with some portions of Reg FD - portions that may need to be adjusted to both maintain investor confidence while as providing for the maximum efficiency of our market system.

This regulation is to inform investors-not punish analysts or issuing companies; the goal of this regulation is to increase information, not decrease it.

And the overall goal of this Committee - and the underlying reason for this hearing - is to ensure that we maintain the vital balance between transparency and efficiency in our markets.

Therefore, I again thank the Chairman and Ranking member for conducting this hearing and I look forward to hearing our witnesses.